

LEASE

THIS LEASE ("Lease") executed by the hereafter named Landlord and Tenant on the date or dates shown by the notarial certificate or certificates hereon, but delivered, effective, dated and entered into this 17th day of January, 2012, by and between: RM

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT,

A Kentucky consolidated local government acting by and through its

ECONOMIC GROWTH AND INNOVATION DEPARTMENT

444 South Fifth Street, Suite 600

Louisville, Kentucky 40202

(hereinafter called the "**Landlord**")

AND

THE HARBISON CONDOMINIUMS COUNCIL OF CO-OWNERS, INC.

a Kentucky corporation

711 West Main Street

Louisville, Kentucky 40202

(hereinafter called the "**Tenant**")

1. Leased Premises. The Leased Premises is the real property as shown as Lot 1 on the plat attached hereto as Exhibit A and being a portion of the property acquired by Landlord by deed dated December 24, 1975 of record in Deed Book 4826, Page 741, in the Office of the Jefferson County Clerk (the "Leased Premises"). The Leased Premises are located adjacent to the residential condominium building controlled by Tenant located at 711 West Main Street ("Building").

2. Term. The Term of the Lease shall be for a period of twenty (20)

years commencing on the day and year first above written as the delivery and effective date of this lease unless sooner terminated ("Term"). If Tenant remains in possession of the Leased Premises with the written consent of the Landlord after the expiration date of the Lease, this Lease will be converted to a month to month lease and each party shall have the right to terminate the Lease by giving one (1) months' written notice to the other party.

3. Rent. The Tenant agrees to pay rent in the amount of \$1.00 per year, which amount shall be payable in advance for the Term upon the execution of this Lease, and Tenant's obligations during the Term as provided in Section 5, 6 and 7 of this Lease.

4. Delivery Of Possession. The Landlord shall deliver possession of the Leased Premises to the Tenant promptly at the beginning of the Term.

5. Use Of Leased Premises. The Leased Premises shall be used for the following uses: the location of air conditioning units serving the Building, the construction and use of a deck to be used by the owners of the units in the Building and their guests and landscaping and fencing all as shown on the drawing attached here as Exhibit B. No other permanent structures of any kind shall be constructed on the Leased Premises without the prior written approval of the Landlord.

6. Public Pathway. At all times during the Term, Tenant shall permit public ingress and egress along the pathway located on the northern edge of the Leased Premises, as illustrated on Exhibit B.

7. Floodwall. It is acknowledged that there is a concrete floodwall along the northern boundary of the Leased Premises ("Floodwall") that is owned and maintained by the Metropolitan Sewer District ("MSD"). Tenant agrees not to attach any object to the Floodwall or do any action which could damage or undermine the structural integrity of the Floodwall. At any time during the Term, if MSD needs access to the Leased Premises, to repair, inspect or take any action with respect to the Floodwall, Tenant shall immediately permit the employees, contractors or agents of MSD to have access to the Leased Premises. Neither MSD nor Landlord shall have any liability to Tenant for any damages to the Leased Premises or improvements constructed

upon the Leased Premises resulting from the entry upon the Leased Premises by MSD's employees, contractors or agents.

8. Utilities. Tenant shall be responsible for all utilities and services that are furnished to the Leased Premises. The application for and connecting of utilities, as well as all services, shall be made by and only in the name of the Tenant.

9. Compliance With Laws And Regulations. The Tenant, at its sole expense, shall promptly comply with all federal, state, and municipal laws, orders, regulations, and with all lawful directives of public officers, which impose any duty upon it or Landlord with respect to the Leased Premises.

10. Assignment/Subletting Restrictions. Tenant may not assign this Lease or sublet the Leased Premises without the prior written consent of the Landlord. Any assignment, sublease or other license to use the Leased Premises by Tenant without the Landlord's written consent shall be void and shall (at Landlord's option) terminate this Lease.

11. Indemnification Of Landlord. The Tenant shall indemnify, hold harmless, and defend the Landlord, its elected and appointed officials, employees, agents and successors in interest from all claims, damages, losses and expenses including attorney's fees, arising out of or resulting, directly or indirectly, from the Tenant's use of the Leased Premises provided that such claim, damage, loss or expense is: (1) attributable to personal injury, bodily injury, sickness, death, or to injury to or destruction of property, including the loss of use resulting therefrom, or breach of contract, and (2) not caused by the negligent act or omission or willful misconduct of the Landlord or its elected and appointed officials and employees acting within the scope of their employment. This Hold Harmless and Indemnification clause shall in no way be limited by any financial responsibility or insurance requirements and shall survive the termination of this Lease.

12. Insurance. Tenant shall maintain, during the Term, insurance coverage on the Leased Premises as described in Exhibit C attached hereto.

13. Landlord's Rights Upon Default. In the event of any breach of this Lease by the Tenant, which shall not have been cured within thirty (30) days after written notice of such default is sent to the Tenant by the Landlord, then the Landlord, besides other rights or remedies it may have, shall have the immediate right of reentry and may remove all persons and property from the Leased Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of, the Tenant.

14. Quiet Enjoyment. The Landlord agrees that if the Tenant shall pay the rent as aforesaid and perform the covenants and agreements herein contained on its part to be performed, the Tenant shall peaceably hold and enjoy the Leased Premises without hindrance or interruption by any other person or person acting under or through the Landlord, unless the Lease shall be terminated as provided for herein.

15. Landlord's Right To Enter. Landlord may, at reasonable times, enter the Leased Premises to inspect it, but shall be under no obligation to do so.

16. Maintenance Of the Leased Premises. The Tenant shall maintain the Leased Premises in a good condition, free and clear of debris, garbage or trash at all times during the Term.

17. [RESERVED]

18. Termination for Public Use. At any time during the Term, if Landlord determines it has a need to use the Leased Premises for a public use of Landlord, it shall provide written notice to Tenant of the termination of the Lease no later than sixty (60) days prior to the date of termination. In the event of a termination pursuant to this paragraph, Tenant waives any claim it may have for compensation for the loss of the leasehold interest or the value of any improvements constructed on the Leased Premises by Landlord.

19. Default. Landlord may terminate the Lease by giving thirty (30) days' written notice to Tenant upon the happening of any one of the following events of default, and the same is not remedied within the thirty (30) days after notice to Lessee:

1. the failure of Tenant to comply with the requirements of this Lease;
2. the levying of a writ of execution or attachment on or against the Leased Premises;
3. in the event proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation, or involuntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, or the appointment of a receiver of the property of Tenant, and said proceedings are not dismissed and any receiver, trustee, or liquidator appointed therein discharged within thirty (30) days after the institution of said proceedings;
4. the doing, or permitting to be done by Tenant of any act which creates a mechanics' lien or claim against the Leased Premises; and
5. the failure of Tenant to perform any of its other covenants under this Lease;
6. the total destruction of the Building.

20. Surrender Upon Termination. At the expiration of the Term or the termination of the Lease as provided in sections 18 and 19, the Tenant shall surrender the Leased Premises to the Landlord, remove its property, at the discretion of the Landlord, and restore the Leased Premises to a condition similar to its condition prior to the commencement of this Lease. All fixtures and permanent improvements on the Leased Premises shall become the property of the Landlord.

21. Miscellaneous Terms.

(a) Notices. Any notice, statement, demand or other combination by one party to the other shall be given by personal delivery or by mailing the same postage prepaid, addressed to the Tenant at the address set forth above or to the Landlord at the address set forth above, or at any other address each may specify to the other in writing.

(b) Severability. If any clause or provision herein shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any application law, it shall not affect the validity of any other clause or provision which shall remain in full force and effect.

(c) Waiver. The failure of either party to enforce any of the provisions of this Lease shall not be considered a waiver of that provision or the right of the party to thereafter enforce the provision.

(d) Complete Agreement. This Lease constitutes the entire understanding of the parties with respect to the subject matter hereof and may not be modified except by an instrument in writing by the parties.

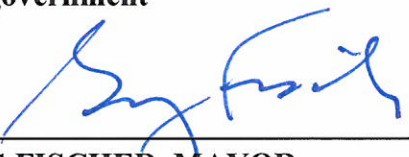
(e) Successors. This Lease is binding on all parties who lawfully succeed to the rights or take the place of the Landlord or Tenant.

[INTENTIONALLY LEFT BLANK]

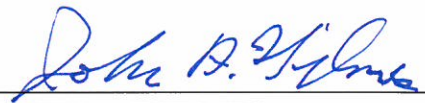
IN WITNESS WHEREOF, the parties have executed this Lease on the dates shown hereinbelow.

LANDLORD:

**LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT
A Kentucky consolidated
local government**

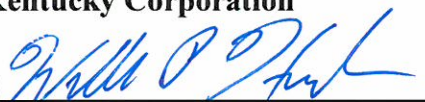
BY: 
GREG FISCHER, MAYOR

APPROVED AS TO FORM:


**JOHN A. WILMES
Assistant Jefferson County Attorney**

TENANT:

**THE HARBISON CONDOMINIUMS COUNCIL OF CO-OWNERS, INC.
A Kentucky Corporation**

BY: 

Title: VICE PRESIDENT HARBISON CONDO ASSOC.

**STATE OF KENTUCKY :
:SS
COUNTY OF JEFFERSON**

I, the undersigned, A Notary Public in and for the State and County set forth hereinabove, do hereby certify that on this day the foregoing document was produced, executed and acknowledged before me by Greg Fischer as the Mayor of Louisville/Jefferson County Metro Government, a Kentucky consolidated local government, to be his free act and deed on behalf of such local government.

Witness my hand this 14th day of January, 2012 2013
My Commission expires: 4/21/2013


NOTARY PUBLIC, STATE AT LARGE, KENTUCKY

STATE OF KENTUCKY :
:SS
COUNTY OF JEFFERSON

I, the undersigned, A Notary Public in and for the State and County set forth hereinabove, do hereby certify that on this day the foregoing document was produced, executed and acknowledged before me by Kurtzman William P. Hanson as Vice President of Harbison Condominiums Council of Co-Owners, Inc., a Kentucky corporation, to be his free act and deed on behalf of such limited liability company.

Witness my hand this 13th day of December, 2012
My Commission expires: December 8, 2015


NOTARY PUBLIC, STATE AT LARGE, KENTUCKY

THIS LEASE PREPARED BY:

MICHAEL J. O'CONNELL
JEFFERSON COUNTY ATTORNEY

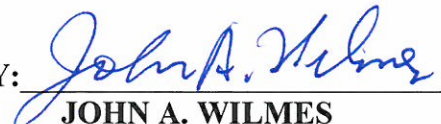
BY: 
JOHN A. WILMES
531 Court Pl., Ste. 900
Louisville, Kentucky 40202
(502) 574-3348
(502) 574-5573

EXHIBIT A

Leased Premises

[See next page]

EIGHTH STREET 60' R/W

PHOENIX HOTEL DEV.
D.B.6156 P.652

N 9°00'32" E
180.00'

SPACE
S 81°09'00" E
30.20'

CITY OF LOUISVILLE
D.B.4828 P.741
(TRACT 2)

LOUISVILLE SCIENCE CENTER

N 81°09'00" W
130.00'

S 9°00'32" W
183.48'

CITY OF LOUISVILLE
D.B.4828 P.741 (TRACT 3)
180.00'

N 8°45'00" E
M & H DEVELOPMENT
D.B.6118 P.591

KENTUCKY ARTS AND CRAFT FND.
D.B.7795 P.854

713 W. MAIN ST. PARTNERSHIP
D.B.5163 P.812

HARBINSON
CONDOMINIUMS
D.B.6262 P.315

CITY OF LOUISVILLE
D.B.4709 P.242

STREET 38' R/W VARIES

Leased
Premises

SEVENTH STREET 60' R/W VARIES

MAIN STREET 90' R/W

EXHIBIT B

Permitted Uses

[See next page]

PROPOSED

CONDITIONS

711

WEST

MAIN ST

SEVENTH STREET

- REMOVAL OF EXISTING TREES
- FENCE w (2) EGRESS EXITS
- NEW TREES - (SUBSTORY)
- UPPER & LOWER DECKS
- ROOF HVAC UNITS MOVED TO AREA TO COMPLY WITH NEW MECHANICAL CODES

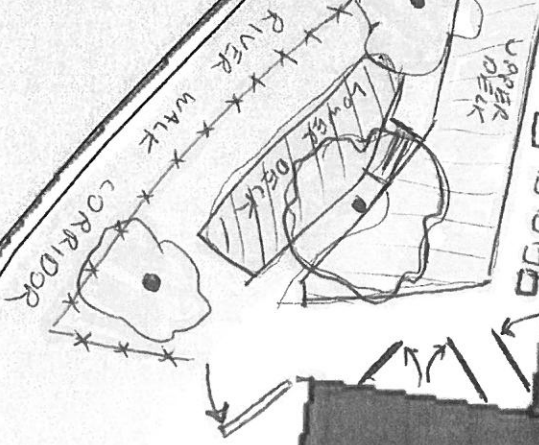


EXHIBIT C

INSURANCE REQUIREMENTS

I. INSURANCE REQUIREMENTS

Prior to occupancy, Tenant shall obtain at its own cost and expense the following types of insurance through insurance companies licensed in the State of Kentucky. Insurance written by non-admitted carriers will also be considered acceptable, in accordance with Kentucky Insurance Law (KRS 304.10-040). Workers' Compensation written through qualified group self-insurance programs in accordance with Kentucky Revised Statutes (KRS 342.350) will also be acceptable. The Tenant shall not occupy the premises under the Lease agreement until all insurance required under the Lease agreement has been obtained and until copies of policies or certificates thereof are submitted to Louisville/Jefferson County Metro Government who may request review by the Louisville/Jefferson County Metro Government's Risk Management Division. The Tenant shall not allow any subcontractor to commence work on the leased premises until the insurance required of such subcontractor has been obtained and copies of Certificates of Insurance retained by Tenant evidencing proof of coverages.

Without limiting Tenant's indemnification requirements, it is agreed that Tenant shall maintain in force at all times during the Lease agreement the following policy or policies of insurance covering its operations, and require subcontractors, if subcontracting is authorized, to procure and maintain these same policies until termination of the Lease agreement the Louisville/Jefferson County Metro Government may require Tenant to supply proof of subcontractor's insurance via Certificates of Insurance, or at Louisville/Jefferson County Metro Government's option, actual copies of policies.

A. **The following clause shall be added to the Tenant's (and approved subcontractors) Commercial General Liability Policies:**

1. **"The Louisville/Jefferson County Metro Government, their elected and appointed officials, employees, agents and successors are added as an "Additional Insured" as respects operations of the Named Insured performed relative to the contract."**

B. The insurance to be procured and maintained and **minimum** Limits of Liability shall be as follows, unless different limits are specified by addendum to the contract:

1. **COMMERCIAL GENERAL LIABILITY**, via the Occurrence Form, with a **\$1,000,000** Combined Single Limit for any one Occurrence and **\$2,000,000** aggregate for Bodily Injury, Personal Injury and Property Damage, including:
 - a. Premises - Operations Coverage
 - b. Products and Completed Operations
 - c. Contractual Liability
 - d. Broad Form Property Damage
 - e. Independent Contractors Protective Liability
 - f. Personal Injury

II. ACCEPTABILITY OF INSURERS

Insurance is to be placed with Insurance Companies with an A. M. Best Rating of no less than "B+ VI", unless proper financial information relating to the Company is submitted to

and approved by the Louisville/Jefferson County Metro Government's Risk Management Division.

III. MISCELLANEOUS

A. The Tenant shall procure and maintain insurance policies as described herein and for which the Louisville/Jefferson County Metro Government shall be furnished Certificates of Insurance upon the execution of the Lease agreement. The Certificates shall include the name and address of the person executing the Certificate of Insurance as well as the person's signature. If policies expire before the completion of the Contract, renewal Certificates of Insurance shall be furnished to the Louisville/Jefferson County Metro Government's Risk Management Division at least fifteen (15) days prior to the expiration of any policy(s).

B. **Upon execution of the contract, Certificates of Insurance as required above shall be furnished to:**

Louisville/Jefferson County Metro Government
Attn: David Morris
444 South 5th Street – 6th Floor
Louisville, Kentucky 40202

AND

C. **Upon Renewal of insurance coverage (s), Certificates of Insurance evidencing renewal shall be furnished to:**

Louisville/Jefferson County Metro Government
Office of Management and Budget
Risk Management Division
611 West Jefferson Street
Louisville, Kentucky 40202

D. **CANCELLATION OR MATERIAL CHANGE OF COVERAGE: Tenant shall notify the Louisville/Jefferson County Metro Government of any policy cancellation within two (2) business days of its receipt of same. Upon any material change (changes that reduce/restrict limit or terms and conditions to your insurance coverage) in coverage as required above, Tenant shall notify the Louisville/Jefferson County Metro Government within two (2) business days. If Tenant fails to notify the Louisville/Jefferson County Metro Government as required above, Tenant agrees that such failure shall be a breach of the Lease agreement. The Louisville/Jefferson County Metro Government reserves the right to require the insurance policy(s) required above to be specifically endorsed to provide notice of cancellation and/or material change of coverage in accordance with policy provisions. When requested by the Louisville/Jefferson County Metro Government, a copy of the policy endorsement shall be provided to the Louisville/Jefferson County Metro Government's Risk Management Division.**

E. Approval of the insurance by the Louisville/Jefferson County Metro Government shall not in any way relieve or decrease the liability of the Tenant hereunder. It is expressly understood that Louisville/Jefferson County Metro Government does not in any way represent that the specified Limits of Liability or coverage or policy forms are sufficient or adequate to protect the interest or liabilities of the Tenant.